

DECISION**THE COMPTROLLER GENERAL
OF THE UNITED STATES**
WASHINGTON, D. C. 20548

FILE: B-183592

DATE: November 17, 1975

MATTER OF: United Camera, Inc.

DIGEST:

Based on entire record of claim, including fact that agency prematurely destroyed delivery receipts in contravention of agency's record disposal program, which receipts were evidence of receipt by Government of supplies under Blanket Purchase Agreement, claim should be paid as claimant has adequately substantiated entitlement to funds.

United Camera, Inc. (United), has requested reconsideration of our Transportation and Claims Division settlement of August 5, 1974, in which its claim in the amount of \$871.64, representing charges for photographic supplies delivered to the USS CASCADE during February 1971 under Blanket Purchase Agreement (BPA) No. N00298-70-A-0177, was disallowed because of the lack of records to substantiate the claim.

The above amount represents the total charges under 20 invoices for various alleged deliveries made under the BPA in response to telephone calls from the vessels. While United has submitted the invoices as evidence of the validity of its claim, there is no evidence in existence to show that the Government actually received the supplies. The signed delivery receipts, which would constitute adequate evidence of receipt, have been destroyed by both the Navy and United under their respective record-keeping policies because of the age of the documents.

As stated previously, this claim is for deliveries made during February 1971. United states that it billed the Navy during its normal billing cycle but was never paid and did not follow up on the nonpayment until September 19, 1972. The delay in United pursuing the claim appears to have been caused by that firm's converting to computerized bookkeeping. Upon inquiring as to its claim in September 1972, United was advised by the Navy that since the records necessary to substantiate delivery of the items in question had been destroyed, it could not pay the claim.

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We have been advised by the Navy that under its applicable regulations (SECNAVINST P5212.5B - Disposal of Navy and Marine Corps Records), receipt documents are to be actively maintained for 1 year and then retained for an additional 2 years prior to disposal, for a total retention period of 3 years.

Based on this information, it appears that the Navy prematurely destroyed the delivery receipts for the February 1971 deliveries by United because when United first pursued its claim in September 1972, 18 months after it arose, it was advised that the records had already been destroyed.

Further, we note that in September 1972, when United inquired as to its claim, United was also making claim for payment under other invoices for deliveries made during August 1970. These were subsequently paid by the Navy so that the only claim remaining is that represented by the unpaid invoices for February 1971.

Based on the entire record before our Office, including the fact of the premature destruction by the Navy of the delivery receipts, we believe United has adequately established its right to payment of the \$871.64. Therefore, we are advising our Claims Division today that a new Settlement Certificate consistent with this decision should be issued.

Deputy

R. F. Kellum
Comptroller General
of the United States